

S. 287: A bill by Senator McCLELLAN of Arkansas (for himself, Senators BYRD of Virginia, GOLDWATER, BENNETT of Utah, EASTLAND, ROBERTSON, THURMOND, CURTIS, STENNIS, and TOWER). This bill would put transportation unions under the antitrust laws. Your league should go all out for this legislation, especially when a national railroad strike is threatened. We should also strive to extend the scope of these proposals in an effort to put all unions under antitrust. This legislation has been referred to the Senate Judiciary Committee and should get far more consideration than bills referred to the Labor Committees.

There have also been introduced by Congressmen LENNON of North Carolina and SCOTT of North Carolina identical bills (H.R. 2415 and H.R. 2426) to prohibit strikes by employees in certain strategic defense facilities, especially our missile manufacturing sites.

All of these legislative proposals will receive your league's vigorous attention.

#### PHONY UNEMPLOYMENT STATISTICS?

On March 13, we had the delightful experience of listening to the tax testimony of President George Meany of the AFL-CIO. It was one of the most amusing and disillusioning spectacles we have ever been privileged to observe. Mr. Meany's prepared testimony is on the record. It constituted a rejection of President Kennedy's tax proposals as aiding the rich plutocrats.

This prepared "on the record" testimony was nothing compared to "after testimony" questions, which have not yet been made public, led by Congressman BRUCE ALGER, of Texas. When asked how much investment was required to create a job for each worker in industry, Mr. Meany suggested that it might take \$7,000 or \$8,000. Under cross-questioning, he finally admitted that it might take an average of \$18,000. The truth is, that in the 20 leading industrial corporations employing nearly 2,500,000 workers, the average is over \$28,000. The top electrical manufacturers' figure is \$18,000, the top petroleum companies is \$50,000, and the top steel industry is \$90,000.

During the same cross-examination by Congressman Alger, Meany was asked how our unemployment statistics were arrived at. Mr. Meany didn't know. Neither did any of the Congressmen present know. We've been fed statistics of unemployment at 4 percent three months ago, 6 percent a few weeks ago—7 percent soon, if the administration's tax proposals are not approved.

Your president sent a letter to the Ways and Means Committee the next day stating that 3 years ago the Department of Labor used the following yardstick for ascertaining "unemployment" statistics:

"A person is unemployed, according to the Department of Labor, if during the week of investigation he is laid off temporarily because of bad weather, seasonal changes, illness; also, if he is on strike or otherwise chooses not to work. Any boy or girl over fourteen, and not in school, is unemployed, if so reported, because at that age one automatically becomes a member of the 'labor force', according to the Department; for that reason the number of unemployable increases during the summer vacation and diminishes when school opens. The unit of computation is derived from the data brought in by interviewers who visit 35,000, selected households and rooming houses, covering 330 sampling areas, distributed among 636 counties and independent cities. Every month the sample areas are changed."

It is obvious that this technique of "sampling" is subject to serious political intrigue.

Here's what is happening: Before they went on strike early last December, New York City's printers averaged about \$145 a week. At present, those who didn't take

other jobs are averaging \$120 a week—\$70 in union strike benefits and \$50 in State unemployment benefits.

It is one thing to provide jobless benefits with the idea of tiding a man over until he can get a job. It is quite another to pervert that charitable principle by making the benefits so high and so protracted that they reduce or destroy the incentive to find a job. Another effect is to falsely inflate the Government's unemployment statistics.

Your league will find the current answer. We are also preparing a special study on labor abuses and recommended legislation to correct them of which we have been promised the widest possible national distribution.

#### Socialized power

Our New Frontier is planning the squandering of billions of your tax dollars on further needlessly and squandermaniacally programs to socialize our energy resource industries. Your league will fight every one of these welfare-state proposals.

We have urged enactment of legislation to tax all federally owned or financed electric companies at the identical rates that investor owned power companies are taxed by levying upon them an excise tax on their gross equivalent in amount to the corporate income tax imposed on the taxpaying investor-owned companies bears to their gross revenue. We have also been able to have introduced in Congress a bill to stop "handouts" in the form of "giveaway" interest rates to the REA's. The following excerpt we received from Congressman CHARLES M. TRAGUE, of California, is self-explanatory:

"Once the Federal Government subsidizes anything, it is difficult to get it to abandon the practice. Many years ago, Congress provided that the Rural Electrification Administration could loan money to local REA cooperatives throughout the country at an interest rate of only 2 percent. The purpose was to make it easier for these cooperatives to bring electricity to farmers in remote areas. That purpose has been substantially accomplished, inasmuch as 98 percent of all farms is now electrified. Present-day loans farms are now electrified (if needed at all) should be at the same rate of interest the Government itself must pay on its own borrowings—which, at the present time, is approximately 3 1/4 percent. I have introduced a bill (H.R. 5065) to accomplish this. However, I must report frankly that there is no immediate likelihood that it will be enacted into law. The REA cooperatives have developed a terrific pressure organization directed by the REA bureaucrats here in Washington, and I am afraid it will be a long process to persuade a majority of the Members of Congress that the existing subsidy is unfair to taxpayers as a whole. Nevertheless, I am encouraged by the public's increasing awareness of this situation and by the support that has been offered so far."

#### INVESTORS MUST ORGANIZE

The one indispensable ally that our Government has in the war against communism is the system of private profit and private property. It is against this ally my friends that our Government has declared war. It is an established policy of our Government today to make war against the institution of private property and especially the stockholder owners of our large corporations. My friends, we are going hellbent for socialism and no one seems to worry about it.

The people who are responsible for our gigantic pulsating, life-giving enterprise are the savers, the investors, the stockholders in American industry. And where are they? Everywhere and nowhere. They are dispersed, dissembled, voiceless and, for practical purposes, helpless. And what is the result of this dissembly, this lack of organization, this voicelessness? These owners are the target of every political move that comes

out of Washington. Every single thing that is suggested in Congress has about it the appearance, at least, and certainly the effect of clamping and clipping, of cramping and restricting the interest of these people in American enterprise. All over in and throughout the great structure of American private enterprise there now crawls an army of inquisitorial bureaucrats as thick and as annoying as, the ancient lice of Egypt. Ten thousand governmental commandments hedge and hamper the operations of American private business.

Someone, or some dedicated group, must spearhead a drive to arrest this Marxist inspired attempt to destroy our capitalist, free enterprise system based on the political-economic theory of the right to individual ownership of property. Someone must enlist the 17 million scattered owners, the "forgotten men," in a battle to preserve what they own in America. These people do not yet realize their latent political power.

Basically, this is what the investors league seeks to accomplish. In our opinion the purpose of political-economic education is political action. This is the field in which the investors league effectively operates. Our thousands of members across the Nation are dedicated patriots. We need thousands, yes, millions, of new members. We need contributions, all we can get, to expand our new membership drives through newspaper advertising, radio, and TV.

You ladies and gentlemen before us today well know this. We expect you to help carry this torch. Help get us new members. Help us raise new funds to further our membership drives and to engage in the programs so needed to further our cause.

We have available today some rather eminent panelists who will discuss many of the issues of the day. You have available copies of our bulletins and other literature explaining our views on taxation, labor, and other issues for which we will battle.

You members, officers, and directors of the league's Florida division, your zeal, your dedication and your legislative effectiveness at both the State and national level are setting a pattern for the effectiveness of local investors league chapters across the Nation.

## DANGER OF RUSSIAN COMMUNISM IN CUBA

(Mr. GURNEY (at the request of Mr. MARTIN of Nebraska) was given permission to extend his remarks at this point in the Record and include extraneous matter.)

MR. GURNEY. Mr. Speaker, no Member of the House of Representatives has been more diligent in bringing to the attention of the House and the public in general the grave danger of Russian communism in Cuba than our colleague, the gentleman from Florida, WILLIAM C. CRAMER.

On April 15, 1963, the gentleman from Florida [Mr. CRAMER] made an address on the subject of "Communism in Cuba," as well as some of the domestic issues here before the Congress, that is worthy of the attention of every Member of Congress.

This address, which was given before the annual meeting of the Investors League of Florida, is printed hereafter:

ADDRESS BY HON. WILLIAM C. CRAMER, MEMBER OF CONGRESS, BEFORE THE INVESTORS LEAGUE OF FLORIDA, CHERRY PLAZA HOTEL, ORLANDO, FLA., APRIL 15, 1963

There's probably no State in the Union in which more people, because they are on fixed incomes, have a proportionately greater interest in sound fiscal policies as they affect

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## SENATE OUTLOOK

Democrats turn jittery about threatened Senate losses in 1964's voting. Sizeable shifts could give the GOP a base for recapturing Senate control in 1966 or 1968. Democratic victors in the 1958 sweep face serious trouble in normally Republican States. Party strategists write off MOSS, of Utah, YOUNG, of Ohio; Indiana's HARTKE is in for an uphill race. The rising Texas GOP could snatch Senator YARBOROUGH's seat.

Greatest threats confront liberal Democrats; New Jersey's WILLIAMS, MUSKIE, of Maine, California's ENGLE all look vulnerable. Even veterans MANSFIELD, of Montana, JACKSON, of Washington aren't shoo-ins. Potential effect: Increasing Senate trouble for liberal legislation.

Republican BEALL, of Maryland, McHEM, of New Mexico, are underdogs for reelection. But odds favor other GOP Senators facing voters: Pennsylvania's SCOTT, WILLIAMS, of Delaware, Arizona's GOLDWATER.

## THE SEC REPORTS

SEC's report on stock market problems evokes undercover resentment in the securities industry. Some executives privately charge the Commission grabs credit for all reforms already made. There's fear that recommendations still to come could weaken investor confidence. The industry will fight some SEC ideas for legislation.

## THE NEW FRONTIER ADVANCES AGAIN

For the second time in 6 months the New Frontier has set a record, a record high in the Consumer Price Index. The only trouble with this kind of progress is that it costs us all as consumers more money to buy our necessities. According to the Bureau of Labor Statistics, the Index returned in February to its record high of September. In fact, in the past year, food prices alone have gone up 1.8 percent. While the administration makes a big play for the votes of the elderly, the pensioners and the like, the Kennedy spending and deficit policies have cost these people, the ones who can least afford it, more of the purchasing power of their available dollars. This is a new kind of persuasion technique for getting people to accept Government handouts and Government controls—don't leave them any choice.

Surprisingly enough, while the Index has climbed steadily since 1961, prices for durable goods, upon which our great job-producing industries rely for profits in order to invest and expand, have been subject to several severe drops and are barely above the 1960 level. As a result, spending for plant and equipment is down 2 percent over the last 5 years. Yet the Kennedy tax program ignores the need to invest, and instead is dedicated to increasing consumer spending, which has risen 17 percent in the same period. Of course, once the reforms are put into the suggested new tax law, most middle income consumers will find little if any break or tax relief. The only record the New Frontier seems sure of breaking is—the most promises with the least performance.

## SPEAKING OF BUDGETS AND DEFICITS

Economic planners of the New Frontier blame increased defense spending for the annual huge deficits they roll up. This is simply not true. In the past 10 years, spending for defense has risen a total of 26 percent while at the same time, nondefense spending has risen 104 percent. Included in the nondefense portion of our spending hikes have been a myriad of pump-priming, socialistic schemes. They all hold out the promise of something for nothing but in truth, they erode our freedoms as well as our material worth.

Speaking of budgets and deficits—and somehow one word demands use of the other along the New Frontier—the Treasury's official budget estimate of the deficit for this

fiscal year has been stated as \$8.8 billion. Figures show, however, that during the first 8 months of this fiscal year the actual deficit has already passed \$10 billion, and we still have 4 more months to go.

Based on the accuracy of this year's estimates, we can look for a staggering \$20 billion deficit in the next fiscal year unless some of the wild spending plans of the New Frontier are halted.

## FOREIGN AID SPENDING

The report of the President's Clay Committee, named to study foreign aid spending, has startled the Nation. The Committee recommends further sharp cuts in foreign aid appropriations. Foreign aid funds for this fiscal year of 1963 total \$3.9 billion. In his budget the President requested \$4.9 billion for foreign aid in fiscal 1964, starting July 1. Congress seems certain to reduce these appropriations to around \$3.4 billion, and Chairman PASSMAN of the House Foreign Aid Appropriations Subcommittee, will fight to cut them to \$2.5 billion. The Clay Committee's findings of foreign aid waste and extravagance fit in with a previous report of a special committee headed by Democratic Senate Leader MANSFIELD that some \$5 billion of American money has been wasted in southeast Asia in recent years.

## MORE CONGRESSIONAL INTIMIDATION

Two weeks ago, in a surprise economy move, the House Appropriations Committee voted 22 to 19 to chop \$450 million off the administration's request for continuing the job-creating public works program started last fall. This was a clear slap in the face for the proponents of big spending schemes. Last Wednesday this issue came up for a floor vote. The cut advocated by the committee was restored by a rollcall vote of 228 to 184. This followed 3 days of the most vicious lobbying by the administration we have ever witnessed. Their tactics bordered on blackmail. Congressmen voting against the administration were threatened with withdrawal of Government spending programs within their districts. We will publish the individual voting records of our Congressmen on this issue. There is still a chance to defeat the bill in the U.S. Senate.

## YOUR LEAGUE'S TARGETS AHEAD

The legislative issues pending in this Congress which most specifically affect the interests of investors and businessmen seem to lie in the general fields of taxation, labor union abuses, and extension of needless public works and welfare schemes, especially in the field of extension of Federal socialized electric power schemes. The league's efforts will be concentrated in these fields.

## Federal taxation

The hearings before the Ways and Means Committee on the administration's tax reduction and tax reform proposals were concluded 2 weeks ago. This was the President's prime legislative objective for this session of Congress. The proposals were thoroughly blasted by the Nation's press and by businessmen and investors everywhere. Also by many Members of the House and Senate including Democratic Senator HARRY F. BYRD, chairman of the Senate Finance Committee.

The final tax bill that will emerge from the Ways and Means Committee, probably in late May at the earliest, will not bear the slightest resemblance to the administration's proposals. With Senator BYRD's opposition, such proposals would never clear the Senate Finance Committee. Whatever bill is passed by the House, it will probably not reach the Senate floor before September and we will have a crack at it before the Senate Finance Committee.

In testimony before the Ways and Means Committee, your president specifically urged the committee to reject the administration's proposals and recommended that considera-

tion should instead be given to enactment of the Herlong-Baker bill that would reduce personal and corporate income taxes over a 5-year period to a maximum rate of 42 percent and to enactment of the Wilson bill (H.R. 257) to reduce the tax on long-term capital gains gradually over a 5-year period provided such gains were invested in 5-year 2-percent U.S. Government bonds redeemable at the option of the holder on sliding scale of from 75 percent of par value during the first year and advancing on a sliding scale to 100 percent of par value at death or maturity. This latter proposal should be considered apart from the omnibus tax bill. It is the only proposal that would immediately increase the Treasury's tax take.

Your league vigorously opposed the proposals to impose a new capital gains tax on gifts and estates payable at the time a gift is made, or upon death, on the value of the property so bequeathed over and above the original cost. We also opposed the proposal to repeal the \$50 and 4 percent dividend credit and recommended that such credit be increased to \$100 and 10 percent. Your league's basic tax objectives are to gradually get rid of the progressive feature of the income tax and the so-called tax on long-term capital gains and to get completely rid of the double taxation of corporate earnings. To hasten this day we have urged that all Government owned or financed enterprises, especially electric projects and co-ops, pay their fair share of Federal taxes.

Remember, ladies and gentlemen, it was primarily the organized investor-owners of the Nation who, "hunting as a pack," put the biggest crimp in the administration's tax proposals—but it is obvious that we should remain continuously alert. The advocates of planned socialism and the welfare State are well aware that their objectives can most readily be attained by taxing away the capital and incomes of owners of private property.

## Labor unions

The east coast maritime strike, the Philadelphia transit strike, the New York and Cleveland newspaper strikes, the various strikes at missile bases, and now the threat of a national railroad strike over work rules, bring into sharp focus the necessity of remedial legislative remedies. So far, the administration recipients of the union labor overlords' political aid have been remotely mute, except to appoint factfinding boards to recommend settlement by nonbinding arbitration. The administration has appointed as chairmen of these boards such "impartial" chairmen as Senator WAYNE MORSE and New Deal Judge Sam Rosenman. This is as near to compulsory arbitration as we can possibly get. There is nothing impartial about their recommendations. Labor's unholy alliance with Government should be destroyed. The czarist dictators' power over a free people should be destroyed in the name of human freedom. There are dedicated statesmen in Congress who are cognizant of the evils involved, not only to free enterprise, but the rank and file members' right to human freedom, who have introduced legislation in Congress to nullify the power of the Hitlers and Khrushchevs in labor to conduct an all-powerful invisible government in defiance of the public interest. Here are the proposed bills:

S. 87: A bill by Senator GOLDWATER for himself and Senators CURTIS and TOWER, essentially designed to amend our labor laws to create a national, right-to-work law except where the separate States can deny it. This would reverse our present procedures whereby any State can create its own right-to-work law. This bill has been referred to the Senate Committee on Labor and Public Welfare. It deserves our wholehearted support. In the meantime, however, we should lend our complete support to enacting State right-to-work laws.



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investments, savings, and the value of the dollar than in the Sunshine State.

Likewise, there's not any organization with a larger number of responsible thinking people than the Investors League—people who think of the future of their children, the security of their country, and the imperative of winning this cold war with atheistic communism.

For these reasons, and many more, it's a privilege and a pleasure to appear before the Investors League of Florida.

Your convention could be held at no greater moment in the history of our country; for at no time has our Nation been faced with more serious challenges. The challenge is not only from overseas as has traditionally been the case. Rather, the challenge is merely over the Florida Straits—90 miles from Florida's shores.

And what's equally as serious as the Communists having a foothold at our doorstep, is the apparent lack of willingness, desire, or just plain ability on the part of this administration to do anything effective about removing this threat—or even exhibiting a firm intent to implement the Monroe Doctrine.

The result of accepting and coexisting with a Communist Cuba has been an invitation to the Communists to infiltrate other areas of the Western Hemisphere unchecked. Today, we are faced with the possible Communist takeovers of the governments of Haiti, the Dominican Republic, Venezuela, and Guatemala. The Communists are swiftly populating other lesser known but strategically important smaller islands in the West Indies, including Barbados, Antigua, Curacao, and others where the ratio in the major cities is already 1 Russian to 10 other people. These islands are doing business with Russia so the door is open to move in.

Vacillation, indecision and a lack of the determination necessary to rid this hemisphere of Castro's Cuba has resulted in a threat to our way of life unparalleled in the history of our great country. If America is to be preserved rather than regarded as a short-lived experiment in individual freedom and human dignity, a reaffirmation of basic U.S. policies, such as the Monroe Doctrine, must be stated and fully implemented. To abandon the Monroe Doctrine during this crucial period is to sacrifice America's self-interests and security. We'd better start putting America's security first . . . if we want American freedoms to last.

This is the anniversary of the abortive Bay of Pigs invasion, attempted 2 years ago. It is, therefore, an apropos time to reflect on the results of the vacillating and timid policy America has adopted toward Communist Cuba, a tiptoeing policy that has resulted in a fully armed and established Communist war machine located at the solar-plexus of the Western Hemisphere.

Two years ago, with adequate air support, the now abortive invasion would have been a glorious victory for freedom. Instead, we withdrew this vital support and in so doing, doomed the invasion to failure and disgrace. We've been withdrawing ever since—with the all too brief and ineffective quarantine as the only show of determination.

Why did we withdraw this promised air support? Because some in the U.S. State Department and some of our representatives at the United Nations feared our participation would result in adverse worldwide opinion, in any adverse image.

Ladies and gentlemen, can any nation afford to sacrifice its long-range security on the altar of public opinion? We did—at least momentarily.

When the Soviets put down the Hungarian revolt with guns and tanks, did they concern themselves with their image? Not on your life. It's about time we stopped applying Madison Avenue image-creating techniques

based on timidity in solving world crises and in meeting the clear and present danger to the freedom of this hemisphere posed by Communist Cuba.

Imagine, if you will, an American policy so vacillating that while taking responsibility for the failure of a refugee invasion of Cuba 2 years ago, we are today arraying every deterrent at the command of the United States and British Governments to stop Cuba's freedom fighters—a 360-degree Kennedy twist. While in October and November we imposed a partial quarantine to keep certain Russian ships from entering Cuba, we have today put into effect a complete quarantine to prevent Cuban freedom fighters from entering Cuba, to keep Cubans from regaining the freedom of their homeland. Khrushchev's assertion which he announced before the Supreme Soviet recently that he had received assurances from this country that Cuba wouldn't be invaded seems to be affirmed more and more by our actions and inactions.

Meanwhile, the Caribbean smolders with Communist revolt. The Guatemalan anti-Communist group, was, fortunately, successful; a similar but unsuccessful coup in Argentina followed; and, as I mentioned earlier, Venezuela, Haiti, and the Dominican Republic are within months of turning Communist unless we are determined to prevent it.

Infiltration and subversion literally flourish throughout the Americas with Cuba as the spawning ground. The New Frontier "rocks" while Latin America burns with subversion and Communist revolution.

CIA Director McCone, in testimony before the House Subcommittee on Inter-American Affairs, recently admitted that: "At least 1,000 to 1,500 persons came to Cuba in 1962 from all other Latin American countries with the possible exception of Uruguay, to receive ideological indoctrination or guerrilla warfare training or both. More have gone in 1963 despite the limited facilities for reaching Cuba at present."

What Mr. McCone failed to tell the subcommittee was that U.S. citizens are venturing to Cuba as well and last month, I turned over to the House Committee on Un-American Activities and the Senate Internal Security Subcommittee, the names of some 97 U.S. citizens who made this illegal journey within a 6-month period in 1962. On the list were many notorious Communists. Going and coming through the Cuban Embassy in Mexico City, many of these U.S. citizens, upon returning to this country, actually advertised the fact they've been to Cuba in Communist newspapers published in the United States. They give lectures and show films in this country propagandizing Castro's Communist revolution and at the same time raise money for Communist front organizations such as the Fair Play for Cuba Committee. Although traveling to Cuba is in violation of the law, neither our State Department nor our Justice Department have pressed for or prosecuted these known violators, many of whom are Communist sympathizers. I have introduced a bill, H.R. 5320, tightening travel restrictions so that prosecutions of persons using this open door to subversion can be more easily accomplished.

As can be seen, even the United States is not free from the direct efforts of Castro's and Khrushchev's insatiable Communist appetites.

So devoid of purposeful leadership is the State Department that we commit ourselves to a \$640 million loan to Brazil without even a commitment from President Goulart that this money will not be used to tool up Brazil's trade with Russia. The fact of the matter is that stepping up trade with Russia is the stated aim of this money, and the Rio press was the first to admit it.

Brazil, incidentally, is one of only five

Latin American nations still recognizing Castro and the U.S. Ambassador to Brazil, Lincoln Gordon, in testimony before the House Subcommittee on Inter-American Relations, made the unequivocal statement that Brazil's Government, student groups, and labor groups are heavily infiltrated with Communists.

On Goulart's Cabinet sit three avowed Marxists, his press secretary is an admitted Communist—and still, we loan that Government \$640 million of your hard-earned tax dollars without commitments that efforts to oust the Communists will be made.

This is not an isolated example. We lavish foreign aid on Chedi Jagan in British Guiana who, for all intents and purposes, is a leftist dictator and, until it served his purposes to denounce him, a good friend of Castro. But, we refuse to provide meaningful aid to the anti-Communist government of Haiti which is across the Windward Pass, gateway to the Panama Canal, in order to protect that vital passage. How absurd can we get?

And, because of our refusal to strengthen anti-Communist Haitians, it is only within months of being taken over by the Communists. Many Haitians who work the Cuban sugarcane fields are being trained by Communists in the arts of sabotage and subversion. These workers return to Haiti and join forces with Communist trained and paid French-speaking Ghanalians who can't be told apart from the natives. A subversive, well-trained Communist corps practicing sabotage and poised to take over the Haitian Government is presently in existence.

As further evidence of our lack of purpose in Latin America, President Kennedy before he went to Costa Rica, doomed the conference to mediocrity by announcing in advance that discussions of ways to dissipate the Communist menace through a hard line policy towards Cuba were not to be topics of discussion. This position was contrary to the expressed wishes of the Central American countries present, particularly Guatemala and Nicaragua, two countries that had already felt the sharp sting of Castro invasions.

Despite the laudatory press releases on the success of the conference, less than two weeks later, the Communist threat became so serious that Guatemala was taken over by a military coup and its President deposed.

It's high time for a thorough housecleaning in the State Department and for a shakeup of the bureaucratic stagnation that has settled into the minds of Washington's policymakers. And it's about time for a meaningful statement of purpose based on ridding the Americas of communism and keeping it free from alien systems. It's time for the announcement of a plan of action for freedom led by the United States.

It's time we threw the Khrushchev doctrine of "coexistence with Castro and communism in this hemisphere" into the ashcan and retrieved the Monroe Doctrine therefrom. Along these lines, I have introduced a resolution (H.J. Res. 227), calling for the restatement and full implementation of Monroe Doctrine.

I have proposed the following steps to weaken communism's grip in this hemisphere, none of which have been taken by this administration:

First, we should recognize a free, non-Communist Cuban government-in-exile. Once a Cuban government-in-exile is recognized, it could legally receive our assistance as well as the assistance of other hemispheric nations. It would fall under the provisions of the treaties of Rio and Caracas. It could become a member of the Organization of American States. It would provide a rallying force for all Cuban refugees, give encouragement and help to the Cuban underground, give courage and hope to the oppressed anti-Castro Cubans who are in the

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majority in Cuba, and provide the means for the Cubans to win back their own freedom.

Instead of uniting the Cuban refugees, however, the administration is doing everything in its power to divide them and make them as ineffective a group as possible.

Secondly, we should impose an effective trade ban and call upon those nations still doing business with Castro, including Italy and Great Britain, to stop trading with Castro.

Thirdly, we should demand that all Latin American nations withdraw recognition of Castro and stop doing business with him and we should withhold Alliance for Progress Funds from nations who refuse to comply.

Fourth, to halt the spread of subversion throughout this hemisphere, we should insist that Mexico close its open door of subversion through which people from all Latin American countries gain entrance to and return from Cuba. As I mentioned earlier, even U.S. citizens are taking this subversive route.

Fifth, we should, if it becomes necessary, and if the Communists refuse to remove troops and heavy war materiel and keep shooting at Americans on the high seas, impose another quarantine to halt the inshipment of further defensive weapons and oil.

What has happened to the spirit of America that bred such patriots as Nathan Hale, a man hardly out of his teens, who prior to his execution said: "I regret that I have but one life to give to my country."

What's happened to the Patrick Henrys, George Washingtons, Thomas Jeffersons, and Teddy Roosevelts? Patriots all'who, under day's so-called modern liberalism would be considered radicals and reactionaries.

On the home front this is a tax-cut year. It started out as a tax cut and revision year, but most of the revisions were so ill-considered, they were sidetracked temporarily almost as soon as they were submitted.

Shining brightly from the lantern of New Frontierism, however, are proposals which would result in stifling private enterprise, equalizing income, discouraging individual investment, emasculating incentive and penalizing investors.

Although the withholding on dividends and interest proposal of the last Congress met its proper demise, this duck-billed platypus is back in another form this year. It seems the Hellers and Schlesingers are insistent on wanting to repeal the 5-year old 50 credit and 4 percent deduction provision. Although it's dead for this year, you can bet your bottom dollar—if you still have one left by then, that it will be back again next year and the battle will be resumed.

I don't follow the reasoning of those who want to repeal this effort to encourage frugal Americans to invest in free enterprise. Investment in private enterprise creates more jobs, tools up industry, keeps us in a competitive position with foreign imports and provides self-respecting people with needed self-earned incomes. Of course, I can understand why this existing incentive program is repulsive to the "concentration of power in Washington boys," most of whom seem to think that the profit motive is somehow outmoded, a "cliche," and maybe a little "immoral."

They would much rather resort to the bureaucracy's dream world of the thirties and to the alphabetical agencies such as the YCC, CCC, WPA.

Of course, none of these programs were able to solve the Nation's No. 1 problem of the thirties—unemployment; and even Socialist Henry Wallace finally admitted this fact on a television broadcast 2 weeks ago.

Only private enterprise, with its profit motive, has made the United States first in production, in standard of living, in military preparedness, and in the eyes of the world.

And only unincumbered and unintimidated free enterprise can solve the pressing problems of unemployment. Why change a proven formula of success for egghead experimentalism and New Deal economic failures?

In addition, the President's tax reforms would penalize the homeowner, by disallowing as deductions the interest paid on mortgages and real estate taxes; the senior citizens, by a reduction of present tax exemptions from the present \$1,200 to \$600; the working family head, who would lose his tax-free sick pay; the widow, who would be required to pay a tax on the value the home had appreciated during its ownership in addition to inheritance tax; and the generous, by disallowing deductions to churches, charities and educational institutions.

And to compound this planned penalizing of the frugal taxpayer, we've been presented with a \$88.9 billion budget containing a built-in deficit—a planned deficit—of \$12 billion which, through deficits, would further penalize the frugal with the shrinking dollar value, caused by inflation. I personally believe that this extravagant and substantial deficit is cause for grave concern. Increased Federal expenditures without any indication as to where the funds will come from is totally lacking in fiscal responsibility.

This budget can and must be cut and this can be accomplished without weakening our national defense, outspace exploration programs or needed services. And it seems to me the place to start is by cutting out foreign aid dollars that we are presently giving to Communist countries or spending lavishly and foolishly without any direction of purpose. We should require other member nations to pay their fair share of the assessments to the United Nations and we should cut off Alliance for Progress funds from Latin American countries doing business with Castro.

Domestically, dollars could be cut from the Federal civilian payroll, and millions more could be cut from the President's leaf-raking programs such as the Domestic Peace Corps, the Youth Conservation Corps, the \$5 billion catchall education proposal, the \$450 million for pork barrel public works.

On Wednesday of last week, the Democrats in the House went on record as being against any sort of fiscal responsibility by voting to restore \$450 million to the public works acceleration bill—the same \$450 million which was removed from the bill in the Appropriations Committee.

This money—your tax dollars—is now being spent for 70-percent Federal cost sharing on constructing swimming pools, rodent control, exotic plants, beautifying the TVA, and building fishponds, as examples. Talk about boondoggles. Here are some specific examples of how your tax dollars are being spent under the guise of aiding unemployment:

A recreational facility at Lexington City, Mo., will cost \$881,000 and employ 9 people. This is \$90,000 per man per year.

A municipal stadium in Bridgeport, Conn., \$475,000.

A lagoon in Choctaw, Ala., \$292,000.

Fish ponds in Oklahoma, \$121,000.

A recreational facility in San Juan, P.R., \$400,000.

This list goes on and on, but what's significant is that the entire \$450 million will employ only 50,000 people, less than 2 percent of the present unemployed. If make-work leaf-raking projects are to be the answer to the unemployment problem, then the cost of employing 1 million of the nearly 6 million unemployed would be \$10 billion or \$10,000 per man employed per year.

It's obvious that this is not the answer to meeting this pressing problem. Encouragement of private enterprise, instead of discouragement, is the way to bring a permanent end to serious unemployment.

Thus, I have discussed briefly what I believe will be the two major issues facing this session of Congress—fiscal sanity and the Cuban-Communist threat.

Actually, they are both interrelated, because the Communist threat throughout the world is a challenge to our freedom \* \* \* to our very constitutional government. In order to continue to support the necessary efforts at home and abroad to meet these challenges to our way of life, we must retain our economic solvency and financial stability.

Khrushchev has said that he'll bury us and said that he'd do it without a war by first turning America toward socialism and bankruptcy, thus making it ripe for a Communist takeover for which the Communists will be poised and ready.

If communism is permitted to continue its expansion in this hemisphere, already only 90 miles from our borders, Khrushchev's prophecy can come true.

#### PANAMA CANAL QUESTIONS: IMMEDIATE ACTION REQUIRED

(Mr. FLOOD (at the request of Mr. PURCELL) was given permission to extend his remarks at this point in the Record and include extraneous matter.)

Mr. FLOOD. Mr. Speaker, since the nationalization in 1956 by Egypt of the Suez Canal and the precedent-making recognition and support by our Government of that action, the Panama Canal has been the victim of a series of diplomatic aggressions on the part of the Republic of Panama against the sovereignty and jurisdiction of the United States over the Canal Zone. Immeasurably complicated by the ratification in 1955 of the secretly contrived Eisenhower-Romon Treaty, our Government, both the Congress and the Executive, has failed to meet these assaults with forthright declaration of policy. Instead, through mistaken acts of generosity and timid attempts at placation, it has aggravated the situation in the Canal Zone, with conditions there verging on chaos.

Underlying the present sovereignty agitation, and related to it in many ways, is the transcendent question of increased transit capacity, a subject that has been under congressional consideration since the advent in 1945 of the atomic bomb. In that year, the Congress, on recommendations of administrative authorities, enacted Public Law 280, 79th Congress, authorizing the Governor of the Panama Canal—now Canal Zone—to study the means for increasing the capacity and security of the Panama Canal to meet the future needs of interoceanic commerce and national defense, including consideration of canals at other locations, and a restudy of the Third Locks project authorized by act approved August 11, 1939.

This construction project, hurriedly started in 1940 without adequate study, was suspended in May 1942 by the Secretary of War—Stimson—after an expenditure of some \$75 million of the taxpayers' money, mainly on lock-site excavations for parallel acts of larger locks at Gatun and Miraflores, most of which can be used in the future. Fortunately, the suspension of that project occurred before excavation was started at Pedro Miguel.



Unhappily, present State Department policy appears to be oriented in an opposite direction. Top ranking officials of the Department have recently appeared to suggest that the United States must purchase Arab support, almost unconditionally, as the only means of immunizing that area from Soviet influence.

This is the core of the present American position, a position which we believe to be shortsighted and counterproductive. The blackmailer is never satisfied with his last payment. And the compliant disposition of the State Department invites further exploitation and ever more stringent demands. Moreover this acquiescence carries no assurance, even no likelihood, that our country thereby will gain steadfast allies. On the contrary, the Arab States have freely proclaimed their decision to play both sides of the cold war against the middle and to turn to any source whenever expedient.

The one nation in the Near East that has shown an overriding and steady attachment both to the principles of freedom and to the positions of the free world has been the Government of Israel. Yet it is conceivable, unless clear limits are drawn, that the UAR, as a condition for rejecting Soviet assistance, might well demand that the United States remain aloof and detached while the new unified Arab military machine seeks to overrun the State of Israel.

We cannot accept the consoling assurances of those officials in the United States who dismiss the inflammatory, warmongering statements of President Nasser as political pabulum intended only for internal demagogic purposes. It will be too late to rectify this error of judgment once Nasser's rockets begin to fly across sovereign borders. There will then be time only for regrets, not for assistance.

As we meet, the UAR is seeking to overthrow more Middle East governments not now included in the new federation of Arab states. These attempts proceed initially by way of infiltration and subversion. This pattern, we may expect, will be followed by the kind of military assault which had its precedent in the Egyptian expedition in Yemen. Unless those governments that can yet be influential in the Middle East, such as our own, express themselves with greater vigor than they have yet demonstrated, we fear these developments are imminent and almost certain.

We are gratified that the Secretary of State and the President have found occasion in recent days to express "interest in the independence and security" of those Middle East governments who are not within the UAR. But these assurances have been casual and intermittent. There is still no clearcut pronouncement of our governmental policy. Above all else, such a declaration is called for now.

The United Arab Republic poses an urgent threat to the security of all of its neighbors, Arab and non-Arab alike. It is therefore vital that our Government reaffirm unequivocally its policy of friendly and peaceful relations with all presently existing countries in the area and serve clear and unmistakable notice that it will respond promptly and decisively to any threat to the peace, or to any provocative military buildup that is intended to precipitate a war.

Our hope is that our Government can thus help procure a long and extended interval of peaceful development for all countries in that much harassed region. We urge the constructive adaptation of American policies in the Middle East to replace regional arms competition with regional economic cooperation. In this way the national interests of the United States can be realized and promoted, the security of the small nations of the area can be protected and the redemption of the masses of underprivileged and deprived peoples of the Middle East can begin in earnest.

## Cuba: Through the Eyes of L.B.J. and Through the Eyes of Latin America

### EXTENSION OF REMARKS

OF

## HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1963

Mr. CUNNINGHAM. Mr. Speaker, I found two articles in the papers over the weekend most interesting in their obviously different assessment of Cuba.

First there was the AP report of Vice President LYNDON JOHNSON's political speech to a \$100-a-plate Democratic fund-raising rally in Milwaukee Saturday night.

Then there was Bob Considine's report on an article in *Vision*, described by Considine as "probably Latin America's best informed periodical."

The subject, in both cases, was Cuba.

According to the AP report, the Vice President "insisted the administration policy on Cuba 'is to get rid of communism and Castro.'" Citing economic ills in Cuba, L.B.J. said this is "a record of proud American responsibility. We are determined that communism in Cuba must go—and shall go."

According to Considine, *Vision* states, "The Kennedy administration has launched a propaganda campaign to prove its 'isolation' policy renders Castro harmless; that Cuba is just a small pawn in the overall global struggle, and that no decisive action is possible without risking nuclear war," but the Latin American periodical adds that the argument is "demonstrably false."

I now include that portion of the AP story and that portion of the Considine article which deal with this subject:

JOHNSON LABELS CUBA RED FAILURE SHOWCASE

MILWAUKEE, May 4.—Vice President JOHNSON pictured Cuba tonight as "a showcase of Communist failure that is costing the Soviet Union more than \$1 million a day to prevent complete and final collapse."

In a speech prepared for a \$100-a-plate Democratic fundraising dinner, the Texan attacked the Republican Party and its spokesmen and insisted the administration policy on Cuba "is to get rid of communism and Castro."

Calling President Kennedy "the strong young man in the White House," Mr. JOHNSON said the President "stood up to the aggressor and drew the fangs of aggression."

He listed these as results of Fidel Castro's Cuban Communist regime:

"Cuba's gross national product has fallen 25 percent.

"Agriculture is falling under communism there as everywhere else.

"Food consumption is down 15 percent. The 1963 sugar crop is the smallest since World War II.

"A quarter million Cubans have left Cuba—and we have received 300,000 individual Cuba requests for visa waivers to come to this country.

"Free world trade with Cuba last year was one-tenth what it was before Castro—and it will be only a trickle this year. Trade between Cuba and Latin America will virtually disappear in 1963."

Apparently answering critics of United States policies toward Cuba, Mr. JOHNSON called this "a record of proud American responsibility," adding:

"We are determined that communism in Cuba must go—and shall go."

ON THE LINE

(By Bob Considine)

"*Vision*," probably Latin America's best informed periodical, dourly concludes in the wake of Castro's triumphant reception in the Soviet Union:

"Years of fumbling U.S. efforts to free Cuba have ended in utter failure. This constitutes the biggest setback to U.S. foreign policy since the fall of China. In Washington, this defeat is recognized but never admitted. The Kennedy administration has launched a propaganda campaign to prove that its 'isolation' policy renders Castro harmless; that Cuba is just a small pawn in the overall global struggle, and that no decisive action is possible without risking nuclear war. All three arguments are demonstrably false.

"In the first instance, Cuba is not isolated at all. Various hemispheric states still maintain diplomatic, trade, and travel connections with the island. A steady flow of young Latin American leftists arrives in Cuba every day, destined for Che Guevara's revolutionary schools \* \* \* nations outside the hemisphere scoff at U.S. pleas to halt Cuban shipping.

"The second point is still more unrealistic—that Cuba is merely a cold war pawn, something like Laos but closer to home. Castro's position atop the Lenin mausoleum last Sunday proves that the Kremlin takes a much different view. The Cuban takeover is a hugely successful Communist penetration right into the zone of prime U.S. interest, the first step along the road to Latin American conquest.

"The final argument—that there is nothing we can do about Castro—is just plain defeatism."

"*Vision's*" recommendations:

J.F.K. should again declare unequivocally that getting rid of Castro is a cardinal goal of U.S. policy. Create a big Caribbean task force to restore morale inside Cuba. J.F.K. "should publicly warn that the United States will not be responsible for Russian lives nor be deterred by their presence from taking any course of action it deems necessary. A strong promise of aid to post-Castro Cuba should be made, along with a pledge of non-interference in the country's internal affairs."

## Indiana Boy Proves Youth Are Not Irresponsible

### EXTENSION OF REMARKS

OF

## HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1963

Mr. HARTKE. Mr. President there appeared a recent editorial in the Richmond, Ind., *Palladium-Item*, in which an Indiana youth, Larry Williams, 14-year-old of Centerville, was cited as a responsible boy and a hero.

As a matter of fact, Mr. President, Larry is responsible for saving the lives of several of his schoolmates when a careening automobile suddenly lunged toward them when he was on school patrol. Larry is one of several youngsters soon to be given a medal by President Kennedy for his act of heroism.

The editorial also points out that not all boys are juvenile delinquents. Because the editorial is worthy of consider-

ation by my distinguished colleagues I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### YOUTH DEPENDABLE, TOO

The weighty evidence of juvenile delinquency is proof of one of the Nation's most serious problems. But it is unjust to put the tag of irresponsibility on all youngsters.

Larry Williams, 14-year-old son of Mr. and Mrs. James V. Williams, of Centerville, is a case in point. He was on the job as a school safety patrol member last November when an automobile suddenly lunged toward a line of children. With his arms outstretched Larry jumped in front of the children and pushed them out of the auto's path.

After an investigation of the incident, the American Automobile Association awarded Larry its medal for "a lifesaving act involving heroism." President Kennedy will present the medal in ceremonies at the White House next month.

Larry obviously has learned the lessons of responsibility. He took seriously the duties of his safety patrol assignment and his quick thinking may have saved the lives of one or more of the children.

#### Economy Buying

#### EXTENSION OF REMARKS OF

**HON. CLARENCE J. BROWN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1963

Mr. BROWN of Ohio. Mr. Speaker, in view of the fact I was the originator and author of the legislation which created the two Commissions on the Reorganization of the Executive Branch of the Government, better known as the two Hoover Commissions, and was the member of the Commission who devoted the most attention to correction of procurement practices in the Federal Government, especially in the Department of National Defense, I take great pleasure in calling attention of the Congress and the country to the following editorial which appeared in the Washington Star on April 30, which points out the savings being made, and destined to be made in the future, from the implementation of recommendations made by the Hoover Commission on procurement matters:

#### ECONOMY BUYING

One of the major and, as events have turned out, most fruitful recommendations of the old Hoover Commission advocated the consolidation of purchasing activities in the Defense Department. Several days ago, the Joint Economic Committee headed by Senator Douglas concluded a series of hearings to review the effects of the single Defense Supply Agency and other steps initiated along these lines by Secretary McNamara.

The results are impressive. While these programs have been underway for only a little more than a year, savings actually reflected in the defense budget for the fiscal year 1964 amount to about \$750 million. In addition, Mr. McNamara expressed confidence that additional actions now under study will increase the rate of savings to over \$3.4 billion annually by the end of 1965—savings considerably in excess of the \$2 to \$3 billion

which the Hoover Commission had anticipated might be realized from such action. In discussing the wider ramifications of the subject, the Secretary also had this to say:

"The basic principle that there should be a single agency to procure and manage common items of supply or services for all users is, as this committee has repeatedly pointed out, as valid for the Government as a whole as it is for the Department of Defense. Therefore, in our own efforts to obtain greater efficiency through the consolidation of common logistics support activities, we should not restrict ourselves to Defense agencies alone. Whenever we find that it is more economical to use the capabilities or facilities of other Government agencies, with no loss in military effectiveness, and at the same or less cost, we should not and have not hesitated to do so."

These are encouraging words—and they mark progress. Mr. McNamara is to be commended for taking actions now which should have been taken long ago to avoid waste. These efforts deserve encouragement, and the Joint Economic Committee and other groups should see to it that they receive every assistance.

#### Former Oklahoma Congressman Celebrates 90th Birthday

#### EXTENSION OF REMARKS OF

**HON. ED EDMONDSON**

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1963

Mr. EDMONDSON. Mr. Speaker, on April 28, an Oklahoman who throughout his life has served his fellow man with distinguished honor celebrated his 90th birthday. I am speaking of our distinguished former colleague, the Honorable Charles Edward Creager, of my hometown of Muskogee, Okla.

It is a privilege for me to join his legion of friends and admirers in congratulating C. E. Creager on his birthday and wishing him many more happy returns in the years ahead.

Charles Creager is one of the pioneer builders and developers of eastern Oklahoma. He was the second Member of Congress after Oklahoma's statehood to serve many of the counties in the district which I now represent.

C. E. Creager has led a rich and full life for which he can take great personal satisfaction. He was a journalist who reported some of the significant events in the history of our Nation, an author who recorded histories of the Ohio National Guard Masonry in Oklahoma, a public servant who served in Congress and in Indian Service, and a civic leader who authored Muskogee's form of city government under which our community now lives.

Such a distinguished life is enjoyed by few persons. Charles Creager's contributions to society are indeed manifold. It is a life to which every Oklahoma owes a great debt of gratitude.

At this time, I ask permission to insert into the RECORD the text of a story about former Congressman Creager which appeared in the Muskogee (Okla.) Phoenix. This story written by a Phoenix staff

writer, Mort Glassner, is a colorful review of the career of this distinguished American:

#### COLORFUL MUSKOGEEAN MARKS 90TH BIRTHDAY

(By Mort Glassner)

Congressman, Army sergeant, war correspondent, oilman, supervisor of field clerks in the Indian Service, author, schoolteacher, cub reporter, police reporter, political reporter, city editor, oil editor, publisher, Office of Price Administration Chief Clerk, and U.S. oil inspector.

Blend all of the above-mentioned occupations and vocations into one person and you'll come up with one person—Charles Edward Creager, of 8404 West Okmulgee.

Creager, Oklahoma's first Republican Congressman and the State's second Congressman, observes his 90th birthday anniversary Sunday. The tall, slender Muskogeean doesn't plan anything special for the observance. "I and my wife Elizabeth plan to spend a quiet day and I doubt if we have many visitors," Creager said Saturday.

The native Oklahoman has one son, one grandson, and four great-grandchildren. Baron Creager, the son, lives in Dallas, Tex., and is Southwest editor for an automobile trade journal. Baron's son is Mack Creager of Tulsa who is a sportscaster. The Mack Creagers have four children.

To say that Creager has been versatile during his 90 years would be understating the case. Creager authored the charter under which Muskogee's managerial form of government operates. As a Congressman, he obtained the necessary \$500,000 appropriation to build Muskogee's Federal Building at North Fifth and West Broadway.

It was Creager who persuaded Suma Roseman, a Creek Indian woman from Sapulpa, to sell the old General Hospital building here to the city for practically nothing. At the same time, he talked her into donating \$5,000 to the hospital to be used for indigent Indians who might need hospitalization. Creager is an honorary member of the Creek Tribal Council.

Creager served in Congress from 1909 to 1910 after defeating Democrat James Davenport of Vinita who is deceased. However, Davenport turned the tables on Creager in 1910 and won a House seat.

The former Buckeye Stater still keeps active in politics. He was a delegate to the recent State GOP convention but gave his proxy to someone else.

Creager was born near Dayton, Ohio, on April 28, 1873. In high school, he was the top student scholastically in his senior class. "There were only three students in the class," he quipped Saturday.

"I was thrown out bodily from a private military school, flunked out of a normal school and because of boredom I dropped out of the University of Indiana," Creager disclosed.

Somewhere along the way, Creager says, he migrated "rather innocently" into the Dayton News and went to work as a cub reporter. Seeking more action, he later moved into a police reporter's job on the Columbus, Ohio, Press-Post, working his way up to city editor. He also worked as a political reporter for the Columbus Dispatch but it was during his tenure with the Press-Post that he became a widely read war correspondent.

While with the Press-Post, Creager joined the Ohio National Guard. In 1898, he found himself in Puerto Rico playing a dual role in the Spanish-American War. He was forced to split his time in the service between being a sergeant major (and later captain) and reporting the war to his newspaper back home.

Following the war, Creager returned to his newspaper job in Dayton only to discover he was dissatisfied with his \$16 a week salary which he relates, was "hiked two bucks be-